

**STATEMENT OF PROCEEDINGS FOR THE SPECIAL MEETING OF THE OVERSIGHT
BOARD TO THE SUCCESSOR AGENCY OF THE
WEST HOLLYWOOD COMMUNITY DEVELOPMENT COMMISSION**

**CITY OF WEST HOLLYWOOD
PLUMMER PARK, COMMUNITY CENTER
ROOMS 5 AND 6
7377 SANTA MONICA BOULEVARD
WEST HOLLYWOOD, CALIFORNIA 90046**

Monday, January 7, 2013

2:00 p.m.

AUDIO LINK FOR THE ENTIRE MEETING. (13-0333)

Attachments: [Audio](#)

I. CALL TO ORDER

Vice Chair Roderick Burnley called the meeting to order at 2:00 p.m.

II. ROLL CALL

Ivonne Umana, Acting Secretary to the Oversight Board, conducted roll call:

Present: **Board Members Paul Arevalo, Madeline Roachell,
Martin Zimmerman and Vice Chair Roderick Burnley**

Absent: **Board Members David Flaks, Megan Reilly and
Chair Daniel Ronnie Cohen**

III. SUCCESSOR AGENCY STAFF REPORT

This time is set aside for Successor Agency staff to update the Board on important items initiated by staff or previously requested by the Oversight Board. (13-0261)

Jonathan Leonard, Project Development Administrator, addressed the Board and introduced three items: Recognized Obligation Payment Schedule (ROPS) for the period of January 1, 2013 through June 30, 2013 (ROPS 3), the Housing Fund Due Diligence Review (DDR), and ROPS for the period of July 1, 2013 through December 31, 2013 (ROPS 4). Mr. Leonard indicated that the Department of Finance (DOF) issued an initial determination letter on October 15, 2012, pertaining to ROPS 3 and objected to six items: three items related to employee costs; and three items concerning enforceable obligations. The rejected enforceable obligations consisted of a \$3.5 million loan for a Courtyard La Brea affordable housing project, \$1.8 million for disabled access improvement, and \$27 million for the Plummer Park project.

Mr. Leonard reported that on November 15, 2012, the Successor Agency staff participated in a "Meet and Confer" session with the DOF and disputed the following:

- Employee obligations should be covered by the Successor Agency because they are enforceable obligations and covered by bond proceeds, and the DOF highlighted that many of the employee costs were related to the housing fund and should be the responsibility of the Housing Successor Agency; and
- The \$3.5 million loan, in November 2010 the former Redevelopment Agency (RDA) had entered into an agreement with the West Hollywood Community Housing Corporation, which loaned the RDA funds for predevelopment and acquisition.

Mr. Leonard also reported that on November 9, 2012, the DOF issued an initial determination letter concerning the Housing Fund DDR, and its determination rejected two items in the Housing DDR, including: the retention of \$630,000 to pay for enforceable obligations on the ROPS for the period of July 1, 2012 through December 31, 2012 (ROPS 2); and the retention of \$8 million in bond proceeds. He further reported that on November 29, 2012, the Successor Agency staff communicated with the DOF about the rejected items from the Housing DDR, and during discussion, the DOF concluded that the Successor Agency's argument was valid and authorized \$342,000 to be disbursed to the County of Los Angeles for distribution to the other taxing entities.

In conclusion, Mr. Leonard informed the Oversight Board that the Successor Agency is preparing ROPS 4, which will be presented initially to the Successor Agency, then to the Oversight Board for review and approval, and then transmitted to the DOF by the March 1, 2013 deadline.

By Common Consent, there being no objection (Board Members Flaks, Reilly and Chair Cohen being absent), the Oversight Board accepted Mr. Leonard's report.

Attachments: [Supporting Documentation](#)

IV. PUBLIC COMMENT

1. This time has been set aside for members of the public to address the City of West Hollywood Oversight Board on items within the subject matter jurisdiction of the Board. Although the Board values your comments, under the Brown Act, the Board cannot discuss or take action on items not listed on the posted agenda. (13-0188)

There were none.

V. ADMINISTRATIVE MATTERS

2. Recommendation: Approve the minutes for August 23, 2012. (13-0185)

On motion of Board Member Zimmerman, seconded by Board Member Roachell, duly carried by the following vote, the Oversight Board approved the August 23, 2012 Minutes:

Ayes: 4 - Board Members Arevalo, Roachell, Zimmerman and Vice Chair Burnley

Absent: 3 - Board Members Flaks, Reilly and Chair Cohen

Attachments: [August 23, 2012 Minutes](#)

3. Recommendation: Approve the minutes for October 2, 2012. (13-0186)

On motion of Board Member Zimmerman, seconded by Board Member Roachell, duly carried by the following vote, the Oversight Board approved the October 2, 2012 Minutes:

Ayes: 4 - Board Members Arevalo, Roachell, Zimmerman and Vice Chair Burnley

Absent: 3 - Board Members Flaks, Reilly and Chair Cohen

Attachments: [October 2, 2012 Minutes](#)

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4. Recommendation: Approve the minutes for October 10, 2012. (13-0187)

On motion of Board Member Zimmerman, seconded by Board Member Roachell, duly carried by the following vote, the Oversight Board approved the October 10, 2012 Minutes:

Ayes: 4 - Board Members Arevalo, Roachell, Zimmerman and Vice Chair Burnley

Absent: 3 - Board Members Flaks, Reilly and Chair Cohen

Attachments: [October 10, 2012 Minutes](#)

VI. RECOMMENDATION

5. Convene a public comment session regarding the Non-Housing Funds Due Diligence Review (Non-Housing DDR), pursuant to California Health and Safety Code Section 34179.6(b); close the public comment session. Oversight Board Member discussion regarding the Non-Housing DDR. (12-5723)

On motion of Board Member Arevalo, seconded by Board Member Zimmerman, unanimously carried (Board Members Reilly, Flaks and Chair Cohen being absent), the Oversight Board convened a public comment session pertaining to the Non-Housing Funds Due Diligence Review.

There were no public comments and Robert Smith, Successor Agency Legal Counsel, suggested to the Oversight Board to close the public comment session.

On motion of Board Member Arevalo, seconded by Board Member Zimmerman, unanimously carried (Board Members Reilly, Flaks and Chair Cohen being absent), the Oversight Board closed the public comment session.

John Leonard, Project Development Administrator, presented a staff report and provided an overview of the Non-Housing Due Diligence Review (DDR) to determine the unobligated balances to be transferred to the taxing entities. Mr. Leonard reported that the DDR reflects assets in the amount of \$35,007,537 as of June 30, 2012, and deductions were made from these assets for bond reserves, non-cash assets, funds legally restricted for the funding of enforceable obligations, and payments made on July 12, 2012 to the Auditor-Controller, which totaled \$33,763,540, resulting in a net Non-

Housing balance of \$1,243,997. The amount will be transmitted to the Auditor-Controller within five business days upon approval of the DDR by the Department of Finance.

Board Member Zimmerman requested clarification wanted to clarify if the \$31,479,307 was associated with Recover Park Bonds, and Mr. Leonard confirmed.

By Common Consent, there being no objection (Board Members Reilly, Flaks, and Chair Cohen being absent), the Oversight Board received the Non Housing Funds Due Diligence Review and filed the staff report.

Attachments: [Staff Report](#)
 [Non-Housing Funds Due Diligence Review](#)
 [Resolution](#)

VII. MISCELLANEOUS

- 6.** Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (13-0189)

There were none.

- 7.** Adjournment. (13-0190)

The meeting adjourned at 2:14 p.m. A Special Meeting is scheduled for January 14, 2013 at 2:00 p.m.